

1 **Administrative Rules for Sanitary and**
2 **Stormwater System Development Charges**
3 **Portland Policy Document**
4 **ENB – 4.05**

5 **April 2024 Update – Public Review Draft**



ENVIRONMENTAL SERVICES
CITY OF PORTLAND
working for clean rivers

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21 *These are the administrative rules of the Bureau of Environmental Services (BES) for determining*
22 *sanitary and stormwater system development charges.*

23 **1. Applicability**

24 All development projects that create new or increased demand on the public sewer and
25 drainage system are subject to sanitary and stormwater system development charges (SDCs).
26 Sanitary and stormwater SDC rates are published in the annual rate ordinance, Binding City
27 Policy ENB-4.20.

28 **2. Purpose**

29 The purpose of these rules is to describe the decision-making criteria and means by which
30 sanitary and stormwater SDCs are calculated and charged.

31 **3. Definitions**

32 These rules use terms defined in PCC Chapters 17.32, 17.34, 17.36, 17.38, and 17.39 and the
33 following definitions:

34 **A. "Facial Challenge"** means a challenge to a requirement that is based on an argument that
35 the requirement cannot be applied fairly or reasonably in any situation. By contrast, an
36 as-applied challenge is one based on an argument that a requirement should not be
37 applied to the challenger's particular situation because of factors that, in the challenger's
38 view, distinguish it from similar situations.

39 **4. Regulatory Authority**

40 These rules are authorized by PCC Chapter 3.13 and implement PCC Chapter 17.36.

41 **5. Sanitary SDCs**

42 Sanitary SDCs for residential and nonresidential development are based on the net increase of
43 sanitary flow to the public sewer system as determined by a development's occupancy type and
44 proposed drainage fixture units (DFU). All sanitary SDCs are calculated on a tiered rate structure
45 by multiplying the net new number of DFUs by the rate as published in the annual rate
46 ordinance, Binding City Policy ENB-4.20, for the appropriate occupancy tier.

47 A DFU inventory is used to relate plumbing fixtures to approximate water use and, therefore,
48 the demand on the public sewer system. For the purposes of calculating sanitary SDCs, the City
49 will assign the DFU values according to the "public" category of the then-current Oregon
50 Plumbing Specialty Code. Sanitary SDC rate tiers by occupancy type are shown in Table 1. These
51 rate tiers are established by BES and reflect the Bureau's assessment of water usage per DFU by
52 occupancy type.

53



54 **A. Occupancy types not listed.** The City will evaluate occupancy types not listed in Table 1
 55 on a case-by-case basis and assign a rate tier consistent with occupancy types having
 56 similar water usage and sanitary flows.
 57

58 **Table 1. SDC Rate Tiers by Occupancy Type**

Tier 1	Tier 2	Tier 3
Automotive retailers	Clinics/medical offices	Beverage processing/ distilleries
Automotive and other repair services	Clothing & dry goods stores	Cannabis growing and processing
Business offices	Coffee shops/delis/catering	Car washes
Care facilities	Dental offices	Food service – cart pod
Churches/clubs/organizations	Drinking establishments/ tasting rooms	Food service - fast food
Construction trade services	Food carts with direct connections	Food service – restaurant
Education/cultural sites	General retail sales	Grocery stores/ supermarkets
Fire stations	Spas/beauty and barber salons	Laundry services/self-services
Hospitals	Pet grooming/pet boarding	
Hotels/motels/lodging	Warehouses used for storage	
Industrial/manufacturing uses		
Recreational vehicle parks		
Rental/storage services		
Repair services		
Residential		
Senior living facilities		
Schools/colleges/universities		

59 **B. Mixed-use developments.** SDCs for mixed-use developments are based on the combined
 60 total of all SDCs calculated for each occupancy type and tier.

61 **C. Change in occupancy.** SDCs are calculated by multiplying the net increase of DFUs by the
 62 SDC rate tier corresponding with the new occupancy type.

63 **D. Part-year usage.** Educational institutions that can demonstrate to the satisfaction of the
 64 City that the development will require public water service for nine months or less of the
 65 year may request up to a 25 percent discount on their sanitary SDCs.
 66



67 **6. Stormwater SDCs**

68 Stormwater SDCs for residential and commercial development are based on the net increase of
69 impact on the storm system using measured square feet of stormwater billable area on a site.
70 The City will calculate the stormwater SDCs by multiplying the development’s net increase of
71 stormwater billable area by the stormwater SDC rate.

72 **7. Credit for Prior SDC Contributions**

73 Prior SDC contributions credited to a property as described in this section have no cash value
74 and are not refundable. Credit for prior sanitary and stormwater SDC contributions is available
75 as described in this section.

76 **A. Sanitary.** Pre-existing DFU connections to the public sewer that are removed will be
77 credited to the property and applied towards sanitary SDCs associated with future
78 development at the same location. Sanitary DFU credits are based on the total count of
79 pre-existing DFUs removed from the property and are not transferable to other
80 properties. Prior sanitary sewer connection and pre-existing DFUs must be verified by
81 public records.

82 **1.** The City will assume a 16 DFU credit for a single-dwelling development where public
83 records are not available.

84 **B. Stormwater.** Pre-existing impervious area that is removed will be credited to the
85 property and applied towards future stormwater SDCs associated with future
86 development at the same location. Impervious area credits are based on the amount of
87 pre-existing impervious area removed from the property. The impervious area credit is
88 not transferable to other properties. Impervious area credits are void and of no value if
89 not redeemed in conjunction with future development at the same location within three
90 years of the date of the removal of impervious area as documented through final
91 demolition permit records, aerial photography, or other comparable evidence.

92 **1.** The City will credit 2,400 square feet of impervious area where a single-dwelling
93 development was removed but accurate public records documenting pre-existing
94 impervious area are unavailable.

95 **8. Temporary Use**

96 Temporary structures and connections as described in PCC Chapter 17.36 are not subject to
97 SDCs. System development charges become due and payable for structures or connections that
98 are not removed within three years of building permit issuance. Developments that do not
99 remove temporary structures within three years from building permit issuance may be subject
100 to additional penalties and interest charges.

101



102 **9. Exemptions**

103 Certain structures and uses are exempt from sanitary and stormwater SDCs as described in PCC
104 Chapter 17.14.

105 **10. Collection of Charges**

106 System development charges must be paid or a financing agreement with the City must be in
107 place prior to the issuance of a building permit, sewer connection permit, or plumbing permit.
108 Payment options, including prepayment and bonding, are described in PCC Chapter 17.36. The
109 City may authorize financing agreements that provide for payment deferrals and installment
110 payments of system development charges as described in PCC Chapter 17.14.

112 **11. Administrative Review**

113 A person may request reconsideration of a BES decision through administrative review as
114 described in this section. After the requestor has exhausted all BES administrative review
115 options, the requestor may file an appeal of a decision with the Code Hearings Officer (CHO)
116 per PCC Title 22. A person may only appeal a decision that is subject to administrative review by
117 BES.

118 **A. Administrative review request.** A person to whom a notice was addressed will have 20
119 business days from the date the notice was issued to submit a written request for
120 administrative review of a decision described in the notice. The requestor must provide
121 all information known to the requestor that supports an assertion made in the request.
122 The requestor must provide such information via graphic, written, or recorded
123 communication or in person at the administrative review meeting. BES will hold an
124 administrative review meeting within 15 business days of receipt of the request unless
125 BES determines in its reasonable discretion that a delay is justified. The requestor may
126 provide detailed information in writing in lieu of attending the administrative review
127 meeting.

128 **B. Non-reviewable items.** A BES decision made under these rules is subject to
129 administrative review except that BES will not grant administrative review for the
130 following:

- 131 1. Council-adopted SDC rates;
132 2. Oregon Plumbing Specialty Code fixture types and corresponding DFU values;
133 3. Components of SDC development methodology, except to the extent that a challenge is
134 allowed under ORS 223.304; or
135 4. A facial challenge to a requirement in these rules or associated City Code, or to any
136 technical standard.

137 **C. BES evaluation.** BES will use authorizing City Code, the provisions of these rules, City
138 records, and the testimony and documentation provided by the requestor to make a final
139 determination on the issue that is the subject of the administrative review.



140 **D. Final determination.** BES will issue to the requestor a written final determination within
141 15 business days of the administrative review meeting unless BES determines that
142 extenuating circumstances justify a reasonably longer period of evaluation. The written
143 final determination will provide information about the process for filing an appeal to the
144 CHO.

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